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Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

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"To Enrich Lives Through Effective And Caring Service"

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April 30, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

47 April 30, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**DEPARTMENT OF PUBLIC WORKS:
MARTIN LUTHER KING, JR. MEDICAL CENTER
MULTI-SERVICE AMBULATORY CARE CENTER PROJECT
APPROVE REVISED PROJECT BUDGET; AUTHORIZE
PROCUREMENT OF INFORMATION TECHNOLOGY EQUIPMENT; AND
APPROVE SUPPLEMENTAL PROJECT/DOCUMENT CONTROL AGREEMENT
SPECS. 7056; CAPITAL PROJECT NO. 70947
(SECOND DISTRICT)
(3 VOTES)**

SUBJECT

The recommended actions will approve the revised Project budget for the Martin Luther King, Jr. Medical Center Multi-Service Ambulatory Care Center Project, authorize the Internal Services Department to procure and manage the installation of the communication systems for the Martin Luther King, Jr. Medical Center Multi-Service Ambulatory Care Center Project, and approve a supplemental agreement to provide additional project/document control services for the Martin Luther King, Jr. Medical Center Multi-Service Ambulatory Care Center Project.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the recommended actions are within the scope of the Project included in the previously certified Environmental Impact Report for the Martin Luther King, Jr. Medical Center Multi-Service Ambulatory Care Center Project.
2. Approve an increase in the Project budget from \$167,086,000 to \$171,886,000 for the Martin Luther King, Jr. Medical Center Multi-Service Ambulatory Care Center Project (Capital Project No.

70947).

3. Authorize the Internal Services Department, as the County's Purchasing Agent, to procure and manage the installation services of the communication systems for the Martin Luther King, Jr. Medical Center Multi-Service Ambulatory Care Center Project for a \$4,800,000 not-to-exceed amount.
4. Approve and authorize the Director of Public Works, or her designee, to execute a supplemental agreement to Contract PW-13405 with MLK Project Controls to provide additional project/document control services for the Martin Luther King, Jr. Medical Center Multi-Service Ambulatory Care Center Project for a \$585,000 not-to-exceed amount.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will increase the Project budget for the new Martin Luther King, Jr. Medical Center (MLK) Multi-Service Ambulatory Care Center (MACC) Project by \$4,800,000 from \$167,086,000 to a revised total amount of \$171,886,000, authorize the Internal Services Department (ISD) to procure and manage the installation of the communication systems for a \$4,800,000 not-to-exceed amount, and approve a supplemental agreement to Contract PW-13405 with MLK Project Controls to provide additional project/document control services for the MLK MACC Project for a \$585,000 not-to-exceed amount.

BACKGROUND

MLK MACC Project Budget Revisions/ISD Communication Systems Procurement

On August 18, 2009, the Board established Capital Project No. 70947 for the MLK MACC Project. On November 3, 2009, the Board authorized the Department of Public Works (Public Works) to proceed with the design of the Project.

Initially, the existing communication systems were to be relocated and reused in the MLK MACC Project and funds were not included in the MLK MACC Project budget. Since then, ISD and the Department of Health Services (Health Services) Information Technology staff analyzed the condition of the existing MACC's communication systems and determined that replacement equipment is required to properly migrate voice and data communication systems into the new MACC. Additionally, the new data switches to be installed must be designed to meet all the standards required to implement the upcoming electronic health records program.

The new communication systems include implementation of data network, wireless local area network, wireless wide area network integration, data center integration, phone system, and County radio system integration, including testing of the systems to accommodate various low-voltage systems, information technology systems, and medical equipment systems for the MLK MACC Project.

Approval of this recommendation will allow ISD to proceed with procurement, management, planning, and installation of the communication systems. Public Works will work with ISD to coordinate the procurement and implementation of the communication systems. A detailed breakdown of the equipment and other costs is provided in Attachment B.

The addition of the communication systems cost will result in a \$4,800,000 increase to the MLK MACC Project budget from \$167,086,000 to \$171,886,000. The Project Schedule and Budget Summary is included in Attachment A.

MLK Project Controls Supplemental Agreement

On July 6, 2010, the Board awarded a Consultant Services Agreement, Contract PW-13405, to MLK Project Controls to provide project/document control services and augment Public Works Project Management staff for a \$5,000,000 not-to-exceed amount. In order to ensure adequate support for the MLK MACC Project, additional services are needed because the project/document control effort is now projected to be greater than previously anticipated.

When the MLK Project Controls contract was awarded, the substantial completion date for the MLK MACC Project was scheduled for April 2013. On October 19, 2010, the Board approved a revised completion date of October 2013, for the MLK MACC Project extending the period during which MLK Project Controls would need to provide services. Approval of this supplemental agreement will increase the total fee amount of Contract PW-13405 from \$5,000,000 to \$5,585,000, which will be funded from the previously Board-approved consultant contingency (Attachment A).

Green Building/Sustainable Design Program

The MLK MACC Project supports the Board's policy for Green Building/Sustainable Design Program. The MACC Building will include sustainable design features for certification at a Silver or higher level under the United States Green Building Council Leadership in Energy and Environmental Design for new building construction. Design features to optimize energy efficiency, such as replacing and/or upgrading the mechanical, electrical, and plumbing systems, use of recycled, low-gas emitting materials, use of daylight to enhance indoor environmental quality, water conservation features, and use of alternative transportation methods are included.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Integrated Services Delivery (Goal 3) by investing in public health infrastructure to enhance the safety of patients and staff, and improving patient care with new facilities. Completion of this Project will provide much needed improvements to the facility and meet the strategic goals to benefit the residents of the County.

FISCAL IMPACT/FINANCING

The communication systems total cost of \$5,602,000 includes \$802,000 in noncapital costs that will be funded by Health Services. The remaining \$4,800,000 will increase the MLK MACC Project budget from \$167,086,000 to \$171,886,000. The \$4,800,000 is required for the procurement and installation of the communication systems by ISD. The Project is funded with bond proceeds. The communication systems' additional costs were anticipated at the time bonds were issued for the Project in October 2012. The Project Schedule and Budget Summary are included in Attachment A.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard supplemental agreement, in the form previously approved by County Counsel, will be used. The existing consultant services agreement with MLK Project Controls includes the standard

Board-directed clauses that provide for contract termination, renegotiation, hiring qualified displaced County employees, and consideration of County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) Programs participants for future employment. In addition, vendors must be in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program), Chapter 2.203 (Contractor Employee Jury Service Program), and Safely Surrendered Baby Law.

Data regarding the MLK Project Control's minority participation is on file with Public Works. The consultant was selected upon final analysis without regard to race, creed, gender, or color.

ENVIRONMENTAL DOCUMENTATION

On October 11, 2011, the Board certified the Final Environmental Impact Report for the MLK Campus Redevelopment Project, Tiers I and II, and approved the MLK MACC (Tier I) Project. The recommended actions are within the scope of the previously certified Environmental Impact Report.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Determination with the Registrar-Recorder/County Clerk in accordance with Section 21152(a) of the California Public Resources Code.

CONTRACTING PROCESS

ISD, working with the Chief Executive Office and Health Services, will solicit and purchase the required information technology equipment in accordance with standard County purchasing policies and procedures.

MLK Project Controls' Consultant Services Agreement, Contract PW-13405, to provide project/document control services, was executed for a \$5,000,000 not-to-exceed amount. Approval of the supplemental agreement is for a \$585,000 not-to-exceed amount will increase the contract amount to \$5,585,000.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current County services resulting from approval of the recommended actions. Patient care services in the existing MACC and Hawkins Buildings will continue without interruption during construction.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division; the Department of Health Services, Capital Projects Division; the Internal Services Department; and the Department of Public Works, Project Management Division I.

The Honorable Board of Supervisors

4/30/2013

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a long horizontal line extending to the right.

WILLIAM T FUJIOKA

Chief Executive Officer

WTF:RLR:DJT

SW:TH:zu

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Health Services
Internal Services
Public Works

April 30, 2013

ATTACHMENT A

**DEPARTMENT OF PUBLIC WORKS:
MARTIN LUTHER KING, JR. MEDICAL CENTER
MULTI-SERVICE AMBULATORY CARE CENTER PROJECT
APPROVE REVISED PROJECT BUDGET; AUTHORIZE
PROCUREMENT OF INFORMATION TECHNOLOGY EQUIPMENT; AND
APPROVE SUPPLEMENT PROJECT/DOCUMENT CONTROL AGREEMENT
SPECS. 7056; CAPITAL PROJECT NO. 70947**

I. PROJECT BUDGET SUMMARY

Project Activity	Board Approved Completion Date	Revised Completion Date
Environmental Impact Report	10/15/2011*	10/15/2011*
C.P. 70947		
MACC AND SUPPORT SPACE		
Programming	09/18/2009*	03/18/2009*
Scoping Design	10/13/2010*	10/13/2010*
Award Design-Build	03/29/2011*	03/29/2011*
Jurisdictional Agency Approval	By Design Builder	By Design Builder
Construction		
Substantial Completion	11/30/2013	11/30/2013
Acceptance	05/23/2014	05/23/2014
Building Occupancy	08/30/2014	TBD

*Indicates actual date.

II. PROJECT BUDGET SUMMARY MLK MACC AND MAKE-READY (C.P. 70947)

Budget Category	Previously Approved Budget	Impact of this Action	Current Project Budget
Land Acquisition	\$ 0	\$ 0	\$ 0
Construction			
Design-Build Agreement	\$102,700,000	\$ 0	\$102,700,000
Central Plant Cost (under Hensel-Phelps)	25,166,000	0	25,166,000
Job Order Contract	3,820,000	0	3,820,000
Change Orders Contingency	2,976,000	0	2,976,000
Proposer Stipends	250,000	0	250,000
Builder Risk Insurance	400,000	0	400,000
IT/Telecomm Equipment - Affixed to Building	0	4,800,000	4,800,000
Civic Arts	1,000,000	0	1,000,000
Utility Connection	0	0	0
Subtotal	\$136,312,000	\$4,800,000	\$141,112,000
Programming/Development	\$ 8,005,000	\$ 0	\$ 8,005,000
Plans and Specifications			
Architect/Engineer Fee	\$ 4,887,000	\$ 0	\$ 4,887,000
Design Contingency	150,000	0	150,000
Subtotal	\$ 5,037,000	\$ 0	\$ 5,037,000
Consultant Services			
Site Planning	\$ 0	\$ 0	\$ 0
Hazardous Materials	135,000	0	135,000
Geotech/Soils Report and Soils Testing	135,000	0	135,000
Material Testing	850,000	0	850,000
Peer Review Services	255,000	0	255,000
Inspection Services	210,000	0	210,000
Topographic Surveys	0	0	0
Construction Management	4,992,000	0	4,992,000
Document and Project Controls	1,750,000	585,000	2,335,000
Labor/Outreach/Local Worker Hiring Program	425,000	0	425,000
Environmental	743,000	0	743,000
Job Order Contract Management	70,000	0	70,000
Move Management (Move Manager Only)	0	0	0
Equipment Planning	0	0	0
Consultant Contingency	750,000	(585,000)	165,000
Subtotal	\$ 10,315,000	\$ 0	\$ 10,315,000
Miscellaneous Expenditures	\$ 210,000	\$ 0	\$ 210,000
Jurisdictional Review/Plan Check/Permit	\$ 180,000	\$ 0	\$ 180,000
County Services			
Code Compliance Inspection	\$ 1,478,000	\$ 0	\$ 1,478,000
Quality Control Inspection	0	0	0
Design Review	51,000	0	51,000
Design Services	0	0	0
Contract Administration	211,000	0	211,000
Project Management	2,970,000	0	2,970,000
Project Management Support Services	1,560,000	0	1,560,000
ISD Job Order Contract Management	95,000	0	95,000
DPW Job Order Contract Management	42,000	0	42,000
ISD ITS Communications	620,000	0	620,000
Project Technical Support	0	0	0
ISD Countywide Contract Compliance Section	0	0	0
County Counsel	0	0	0
Other - Contract Management - LWHP	0	0	0
Other-Contingency	0	0	0
Subtotal	\$ 7,027,000	\$ 0	\$ 7,027,000
TOTAL	\$167,086,000	\$4,800,000	\$171,886,000

April 30, 2013

ATTACHMENT B

**DEPARTMENT OF PUBLIC WORKS:
MARTIN LUTHER KING, JR. MEDICAL CENTER
MULTI-SERVICE AMBULATORY CARE PROJECT
APPROVE REVISED PROJECT BUDGET; AUTHORIZE
PROCUREMENT OF INFORMATION TECHNOLOGY EQUIPMENT; AND
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SPECS. 7056; CAPITAL PROJECT NO. 70947**

I. MLK MACC COMMUNICATIONS EQUIPMENT BUDGET

DESCRIPTION	ESTIMATED COST COVERED BY PROJECT	ESTIMATED NONCAPITAL PROJECT COST (BY HEALTH SERVICES)
<u>IT EQUIPMENT COSTS:</u>		
Local Area Network Equipment	\$ 1,062,140	\$ 0
Wireless Local Area Network Equipment	371,950	0
VOIP and Call Center Equipment	725,100	352,600
Radio System Equipment	500,000	0
Video Conferencing	310,190	150,000
Miscellaneous Material/Installation	<u>35,620</u>	<u>0</u>
Subtotal of Equipment	\$ 3,005,000	\$ 502,600
Sales Tax at 8.75 percent (rounded cost)	\$ 263,000	\$ 43,980
Vendor Installation and Integration at 20 percent (rounded cost)	\$ 601,000	\$ 100,520
Project Contingency at 10 percent (rounded cost)	<u>\$ 301,000</u>	<u>\$ 50,260</u>
Subtotal of Above Costs	\$ 4,170,000	\$ 697,360
ISD Planning, Engineering, Management, and Implementation Services, including consultation and final testing at 15 percent of subtotal (rounded cost)	\$ 630,000	\$ 104,640
TOTAL COMMUNICATIONS EQUIPMENT COSTS	\$ 4,800,000	\$ 802,000